

CITY OF MUSCATINE
REGULAR CITY COUNCIL MINUTES
Council Chambers – 7:00 p.m. – March 3, 2011

Mayor Dick O'Brien called the City Council meeting for Thursday, March 3, 2011, to order at 7 p.m. Councilmembers present were LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Roby, and Lange.

The meeting began with the Pledge of Allegiance.

#21475. Councilmember Bynum moved the minutes be approved for the February 15, 2011 Budget Review Session and the February 17, 2011 City Council meeting. Seconded by Councilmember Roby. All ayes; motion carried.

#21476. Councilmember Lange moved the Consent Agenda be approved as follows: Renewal of a Class B Beer and Sunday Sales Permit for Supreme Fitness, 303 Cleveland Street – Supreme Fitness LLC (pending inspections); renewal of a Class C Beer and Sunday Sales Permit for Kum & Go #436, 501 Cedar Street – Kum & Go LLC (pending inspections); renewal of a Class C Beer and Sunday Sales Permit for Kum & Go #438, 1010 Park Avenue – Kum & Go LLC (pending inspections); renewal of a Class C Beer and Sunday Sales Permit for Kum & Go #437, 709 Grandview Avenue – Kum & Go LLC (pending inspections); renewal of a Class C Beer and Sunday Sales Permit for Loos Inc., 711 Park Avenue – Loos Inc. (pending inspections); renewal of a Class C Liquor License and Sunday Sales Permit for Diamond Dave's Taco Co., 2608 2nd Avenue – South of the Border Inc. (pending inspections); renewal of a Class C Liquor License and Sunday Sales Permit with Outdoor Service Area for The Rendezvous, 3127 Lucas Street – Cindy's Rendezvous LLC (pending inspections); renewal of a Class E Liquor License for Fareway Store #998, 2100 Cedar Plaza Drive – Fareway Stores Inc. (pending inspections); filing of Communications A-D; and Bills for Approval totaling \$838,152.63 as well as receipt summaries and journal entries for August, September, and October 2010. Seconded by Councilmember Shihadeh. All ayes; motion carried.

PUBLIC HEARING

Mayor O'Brien stated a public hearing was being held concerning a proposed application for state and federal transit funds for fiscal year 2011/2012.

There were no oral or written petitions for or against the proposed application.

#21477. Councilmember Natvig moved the public hearing be closed. Seconded by Councilmember LeRette. All ayes; motion carried.

PUBLIC HEARING

Mayor O'Brien stated a public hearing was being held concerning the proposed Amendment #1 to the fiscal year 2010/2011 city budget.

There were no oral or written petitions for or against the proposed amendment.

#21478. Councilmember LeRette moved the public hearing be closed. Seconded by Councilmember Roby. All ayes; motion carried.

PUBLIC HEARING

Mayor O'Brien stated a public hearing was being held concerning the proposed adoption of the budget and certification of taxes for fiscal year 2011/2012.

City Administrator Gregg Mandsager gave a power point presentation highlighting budget expenditures and revenues including debt proceeds. He stated the proposed tax levy will remain the same at \$15.77146 per \$1,000. He reviewed the various levies, the General Fund, and the Enterprise Fund. He then outlined the various capital projects.

City Administrator Mandsager stated he feels the proposed budget is a good budget and is the city's overall financial plan. He stated it continues to provide numerous services to the community and provides for infrastructural improvements in the city.

There were no written or oral petitions for or against the proposed budget.

#21479. Councilmember Shihadeh moved the public hearing be closed. Seconded by Councilmember Natvig. All ayes; motion carried.

#21480. Councilmember Bynum moved to approve the appointments of James Compton to the Library Board of Trustees and Janell Kassel to the Transportation Advisory Commission. Seconded by Councilmember Lange. All ayes; motion carried.

#21481. Councilmember Roby moved the resolution be adopted authorizing the submission of an application to the Iowa Department of Transportation for state and federal transit funds for fiscal year 2011/2012. Seconded by Councilmember Shihadeh.

Councilmember Bynum thanked Transit Supervisor Kristy Korpi for her work in obtaining funding for the transit system.

Vote – All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Roby, and Lange. Motion carried and resolution duly adopted.

#21482. Councilmember Lange moved the resolution be adopted approving Amendment #1 to the fiscal year 2010/2012 city budget. Seconded by Councilmember Natvig. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Roby, and Lange. Motion carried and resolution duly adopted.

#21483. Councilmember Roby moved to adopt the resolution adopting the budget and certification of taxes for fiscal year 2011/2012. Seconded by Councilmember Fitzgerald. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Roby, and Lange. Motion carried and resolution duly adopted.

#21484. Councilmember Fitzgerald moved the resolution be adopted relating to the financing of certain proposed projects and establishing compliance with reimbursement bond regulations under the Internal Revenue Code. Seconded by Councilmember Lange. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Roby, and Lange. Motion carried and resolution duly adopted.

#21485. Councilmember Fitzgerald moved the resolution be adopted amending and approving the official pay plan for seasonal and certain other part-time employees effective March 4, 2011. Seconded by Councilmember Roby.

Councilmember Roby asked if these changes were something that was required or if the city is fine tuning the pay plan.

City Administrator Mandsager stated a couple of the items were discussed during the budget review sessions. He stated this action also separates out part-time employees working less than 20 hours a week and part-time employees working more than 20 hours a week.

Vote – All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Roby, and Lange. Motion carried and resolution duly adopted.

#21486. Councilmember Natvig moved to approve the five-year agreement with the Iowa Department of Transportation for the maintenance and repair of primary roads in Muscatine. Seconded by Councilmember Shihadeh.

Councilmember Roby asked for an explanation of the agreement with the IDOT.

Public Works Director Randy Hill stated that annually the city enters into a supplement agreement with the IDOT for the maintenance of state roads that run through the city. The IDOT pays the city approximately \$20,000 a year for this work. He stated that tonight Council is being asked to approve the five-year agreement that the supplemental agreement works off of.

Vote – All ayes; motion carried.

#21487. Councilmember Fitzgerald moved to approve the 2011/2012 Road Salt Purchase Agreement between the City of Muscatine and the City of Davenport. Seconded by Councilmember Lange. All ayes; motion carried.

Mayor O'Brien stated that at this time discussion and possible action will take place concerning the request from the Humane Society. He turned the meeting over to City Administrator Mandsager.

City Administrator Mandsager highlighted some of the items contained in the Council's agenda packets. He stated that tonight discussion will continue concerning the budget allocation for the Humane Society. He stated it was his intent to stay focused on the numbers.

City Administrator Mandsager stated the original request from the Humane Society was \$140,000 which has been reduced down to the current requested amount of \$84,996. He stated that after using the information supplied by the Humane Society, it appeared they had a projected deficit of approximately \$71,000; however, after calculating in revenues that had been left out, it was determined the deficit was closer to \$2,900. He stated if you take out the Wine, Whiskers & Paws fundraiser, it leaves a deficit of approximately \$16,000. He stated that based on the numbers supplied by the Humane Society, the amount they are requesting is not justified; however, an increase is justified. He stated city staff feels \$60,000 would be a reasonable allocation. He stated the Chair for the Humane Society is present for comments.

Bill Fridrych thanked City Council for the opportunity to talk tonight. He then asked for a show of hands from those present at the meeting to support the Humane Society.

Mr. Fridrych stated he has been on the Humane Society Board for approximately 18 years. He stated that in November 2010, negotiations began between the Humane Society and city. He stated the Humane Society has been providing animal control services in the City of Muscatine for 40 years even though it is not their responsibility to do so. He stated that due to Nancy Kent's generosity, the Humane Society has been able to do a lot for the community. He stated another major reason the services can be provided is due to the employees, volunteers, and donors who give their time and money to help the Humane Society.

Mr. Fridrych stated that for many years Chris McGinnis has come before City Council requesting an increase to the Humane Society's subsidy but has been turned down. He stated the Humane Society is projecting a shortfall in 2011 and is now at the point where it may have to change its business plan and significantly cut back on services provided to the citizens of Muscatine.

Councilmember Roby thanked the Humane Society for the information that has been provided. She stated that in reviewing the information provided by the Humane Society, it shows they have taken some cost effective measures as well as improved their operations. She stated she feels the city is ready to provide a dollar amount.

#21488. Councilmember Roby moved to provide \$60,000 to the Humane Society for fiscal year 2011/2012 to help with their deficit and to continue its services in the community. Seconded by Councilmember Lange.

Councilmember Fitzgerald stated that during negotiations, twice the Humane Society was offered \$70,000 and twice they rejected that amount. He stated the services the Humane Society provides are excellent; however, he believes the level of the service they provide is not required by law.

Councilmember LeRette stated the additional money to fund the Humane Society's request would be taken from the General Fund and would bring the balance down to 10.4% from 10.7%. He stated he is not sure he is comfortable with reducing the General Fund balance.

Councilmember Lange stated he does not feel the services provided by the Humane Society are excessive. He stated it is his hope the \$60,000 offered tonight is accepted by the Humane Society because he does not want to see the city in the business of picking up strays and dangerous animals.

Councilmember Natvig stated that at the last City Council meeting he had mentioned he would like to see some type of agreement with the Humane Society. He stated he feels the estimates provided by the city are preliminary estimates. He stated he was not sure the level of funding being offered tonight would help the Humane Society.

Councilmember Bynum stated he feels something needs to be done to support the Humane Society. He stated he would be willing to support the full \$60,000 being offered.

Councilmember Shihadeh stated the problem he sees is that the city does not know how much it would cost to go elsewhere. He stated that everyone agrees the services provided by the Humane Society are outstanding. He stated he is concerned about what could happen if the Humane Society turned down the \$60,000 being offered. He agreed with the Mayor's comment that he does not want to see the Police Officers chasing dogs and cats all over town.

#21489. Councilmember Shihadeh moved to amend the original motion to increase the funding level for the Humane Society to \$84,996. Seconded by Councilmember Natvig.

Councilmember Bynum asked where the additional \$24,000 would come from.

City Administrator Mandsager stated it would be taken from the General Fund balance, taking it down to 10.4%. He then asked if Councilmember Shihadeh's motion included the five requirements that had been mentioned at the last City Council meeting.

Councilmember Shihadeh stated they should be included in his amendment.

Vote on amendment – Three ayes: Councilmembers Shihadeh, LeRette, and Natvig. Four nays: Councilmembers Lange, Roby, Bynum, and Fitzgerald. Motion failed.

Councilmember Roby stated those five requirements mentioned by the City Administrator should be included in her original motion as well.

Vote on original motion: Five ayes: Councilmembers Roby, Lange, Bynum, Natvig, and LeRette. Two nays: Councilmembers Shihadeh and Fitzgerald. Motion carried.

Mayor O'Brien asked Mr. Fridrych when the city could expect a response to their offer.

Mr. Fridrych stated he could not provide an answer tonight.

Mayor O'Brien asked the City Administrator how soon a response was needed from the Humane Society.

City Administrator Mandsager stated the city is very flexible, pointing out that the budget already provides for the additional dollars to be expended.

Mayor O'Brien asked Mr. Fridrych if he would take City Council's offer back to the Board.

Mr. Fridrych answered yes, stating he should have an answer by next week.

Mayor O'Brien stated he wants everyone to understand that no one is questioning the services provided by the Humane Society. He stated the request had to be handled from a dollar and cents perspective.

Councilmember Lange commented on the gasps from the audience when he voted no on the amendment. He stated he feels \$85,000 could not be justified; however, the \$60,000 will be sufficient for a good operational year at the Humane Society.

City Administrator Mandsager stated a late request had been received for the use of city property on April 2, 2011 for a Relay for Life 5K Run/Walk. He stated that Fran Donelson had e-mailed everyone the request after it was received. He asked for a motion to approve the request.

#21490. Councilmember Natvig moved the request be approved. Seconded by Councilmember Shihadeh. All ayes; motion carried.

Under comments, Councilmember LeRette stated it was good to see the audience turnout this evening.

Councilmember Natvig commented on the fiscal year 2011/2012 city budget. He stated he was disappointed in the overall cost of the employee benefit section; however, overall, he was pleased with the rest of the budget.

Councilmember Bynum asked for an update on the traffic cameras.

Police Chief Brett Talkington stated the cameras at Cedar and Houser streets will go into operation in the next three to four days. He stated the remaining four cameras will be located at the intersections of the Bypass and Mulberry Avenue, Cleveland Street and Park Avenue, Washington Street and Park Avenue, and University Drive and Highway 61. He stated that hopefully they will all be operational within the next two weeks.

Councilmember Roby, speaking in reference to the information forwarded by the City Administrator pertaining to rail service between Iowa City and Chicago, stated the state is seeking allocations from local

governments to assist in Iowa's share (\$3 million) of the annual operating subsidy. She stated she feels Muscatine's share (\$40,000) should be kept in Muscatine.

Councilmember Roby also commented on the action taken concerning the Humane Society. She stated that City Council must deal with requests from a financial standpoint. She stated that emotions have got to be set aside when making decisions that are best for the community.

City Administrator Mandsager, speaking in reference to Councilmember Roby's comments on funding an operating subsidy for rail service, stated that the Iowa Department of Transportation will be contacting cities, counties, Chambers, and local businesses looking for contributions. He stated the city is going to take the stance that it is not interested at this point in time. He stated that the Quad Cities may be doing the same.

City Administrator Mandsager stated that the GMCCI's annual dinner meeting is coming up. He asked that Councilmembers to let Fran Donelson know if they plan on attending on or before March 18, 2011.

Mayor O'Brien stated that City Council had a difficult decision to make tonight. He stated that no one has ever doubted the services the Humane Society provides to the community.

City Administrator Mandsager introduced Andrew Fangman, the city's new City Planner.

#21491. Councilmember Shihadeh moved to go into Closed Session at 8:10 p.m. to discuss ongoing litigation. Seconded by Councilmember Natvig. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Roby, and Lange. Motion carried.

The Muscatine City Council went into Closed Session at 8:13 p.m. on Thursday, March 3, 2011, to discuss ongoing litigation. Present were Mayor Dick O'Brien and Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Roby, and Lange. Also present were City Administrator Gregg Mandsager and Community Development Director Steve Boka.

#21492. Councilmember Shihadeh moved to leave the Closed Session at 8:27 p.m. Seconded by Councilmember Fitzgerald. All ayes: Councilmembers LeRette, Fitzgerald, Natvig, Shihadeh, Bynum, Roby, and Lange. Motion carried.

#21493. Councilmember Shihadeh moved the meeting be adjourned at 8:28 p.m. Seconded by Councilmember Fitzgerald. All ayes; motion carried.

Richard W. O'Brien, Mayor

ATTEST:

Gregg Mandsager, City Administrator